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FISCAL IMPACT STATEMENT

LS 7263

BILL NUMBER: HB 1009

NOTE PREPARED: Jan 18, 2015

BILL AMENDED:

SUBJECT: Freedom to Teach Act.

FIRST AUTHOR: Rep. Behning

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill allows a governing body of one or more school corporations to establish a Freedom to Teach school, zone, or district. It establishes the Freedom to Teach Grant Fund to provide grants to governing bodies that establish a Freedom to Teach school, zone, or district.

Effective Date: July 1, 2015.

Explanation of State Expenditures: *Summary: State Board of Education:* The State Board should be able to fulfill the requirements of this bill within its existing budget. When assigning a school, zone or district to an academic performance category, the State Board would have to indicate whether the school is a Freedom to Teach school or part of a Freedom to Teach zone, or whether the school corporation is a Freedom to Teach district. Additionally, it would have to administer the Freedom to Teach Grant Fund.

Department of Education: The Department would have to include Freedom to Teach schools, zones, and districts in its reports on academic performance. The Department also has to provide certain data on these entities to the State Board. This should be accomplished within the agency's current resources.

State Budget Agency: The agency would be able to provide data on Freedom to Teach schools, zones, and districts to the State Board within its existing resources.

Freedom to Teach Grant Fund: The bill establishes the Freedom to Teach Grant Fund (nonreverting) to provide a one-time grant to Freedom to Teach schools, zones and districts. The fund would consist of appropriations made by the General Assembly, gifts, grants, donations, and interest income. The Treasurer of State would invest the unobligated money in the fund. The bill does not make an appropriation to the fund.

Additional Information: The State Board may award a Freedom to Teach school, zone, or district a one-time grant from the Freedom to Teach Grant Fund. The Department of Education would include these entities in its reports on academic performance. At the request of the State Board, the State Budget Agency and the Department of Education, would provide the board with the data required to evaluate the Freedom to Teach program.

Explanation of State Revenues:

Explanation of Local Expenditures: *Summary:* The governing body of a school corporation would have to expend resources on reviewing Freedom to Teach plans and, if necessary, holding public hearings to discuss the plan. The governing body would also incur additional costs associated with contract negotiations with a Freedom to Teach team. These expenses would have to be financed from the school corporation's existing budget and from gifts, grants, and donations.

The governing body would also incur additional costs in developing a program to support teachers and administrators who wish to establish a Freedom to Teach school, zone, or district.

Additional Information: The bill establishes Freedom to Teach schools, zones (a group of schools), or districts. Under the bill, two or more teachers, a principal, or a superintendent (either alone or in combination) may submit a plan to the governing body of the school corporation where they are employed to create a Freedom to Teach school, zone, or district within the school corporation. If the governing body disapproves of the plan or fails to vote on it, the governing body would return the plan to the applicants and forward a copy to the State Board.

If the governing body approves the plan, it may either establish a Freedom to Teach school, zone, or district, or enter into a contract with a Freedom to Teach team. It may also request a grant from the State Board to implement the plan. If the governing body signs a contract with a Freedom to Teach team, it would notify the Department of Education about the contract.

The Freedom to Teach team would have full operational autonomy to run the Freedom to Teach entity as per contract. It would make all personnel decisions. The bill specifies which of the current statutes apply to Freedom to Teach entities and which do not. Employees of a Freedom to Teach entity would not be able to collectively bargain. Employees would be entitled to participate in the retirement fund specified in the contract.

Explanation of Local Revenues: Schools and governing bodies may seek and accept gifts, grants and donations to defray some of the costs associated with developing and implementing a Freedom to Teach plan. Schools or school corporations whose Freedom to Teach plans have been approved by the governing body could receive a one-time grant from the Freedom to Teach Grant Fund. Total local revenues would increase as a result.

State Agencies Affected: State Board of Education; Department of Education; State Budget Agency; Treasurer of State.

Local Agencies Affected: School corporation governing bodies; School corporations; Schools.

Information Sources:

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